

Condensed Consolidated Statements of Operations
For the Three and Nine Months Ended September 30, 2014 and 2013
(unaudited, in thousands except per share data)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2014	2013	2014	2013
Revenue:				
On demand	\$ 100,747	\$ 94,084	\$ 289,361	\$ 270,231
On premise	755	838	2,446	2,799
Professional and other	3,034	3,149	8,280	8,473
Total revenue	<u>104,536</u>	<u>98,071</u>	<u>300,087</u>	<u>281,503</u>
Cost of revenue	<u>46,311</u>	<u>38,111</u>	<u>128,353</u>	<u>110,815</u>
Gross profit	<u>58,225</u>	<u>59,960</u>	<u>171,734</u>	<u>170,688</u>
Operating expense:				
Product development	17,528	13,232	48,310	36,997
Sales and marketing	29,949	25,166	83,970	71,992
General and administrative	15,443	15,554	53,191	44,880
Total operating expense	<u>62,920</u>	<u>53,952</u>	<u>185,471</u>	<u>153,869</u>
Operating (loss) income	<u>(4,695)</u>	<u>6,008</u>	<u>(13,737)</u>	<u>16,819</u>
Interest expense and other income, net	<u>(345)</u>	<u>(236)</u>	<u>(771)</u>	<u>(921)</u>
(Loss) income before income taxes	<u>(5,040)</u>	<u>5,772</u>	<u>(14,508)</u>	<u>15,898</u>
Income tax benefit	<u>(1,783)</u>	<u>(7,114)</u>	<u>(4,124)</u>	<u>(2,616)</u>
Net (loss) income	<u>\$ (3,257)</u>	<u>\$ 12,886</u>	<u>\$ (10,384)</u>	<u>\$ 18,514</u>
Net (loss) income per share				
Basic	\$ (0.04)	\$ 0.17	\$ (0.13)	\$ 0.25
Diluted	\$ (0.04)	\$ 0.17	\$ (0.13)	\$ 0.24
Weighted average shares used in computing net (loss) income per share				
Basic	77,280	75,234	77,075	74,597
Diluted	77,280	76,347	77,075	75,900

⁽¹⁾ Includes stock-based compensation expense as follows:

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2014	2013	2014	2013
Cost of revenue	1,141	\$ 785	3,014	\$ 2,211
Product development	2,707	1,271	6,763	3,123
Sales and marketing	3,774	2,686	10,018	7,891
General and administrative	1,914	2,994	8,999	7,817
	<u>\$ 9,536</u>	<u>\$ 7,736</u>	<u>\$ 28,794</u>	<u>\$ 21,042</u>